# ORDINANCE NO. 07-26

ORDINANCE OF THE MAYOR AND THE CITY COUNCIL OF THE CITY OF HIALEAH, FLORIDA AMENDING CHAPTER 70 ENTITLED "RETIREMENT AND PENSIONS", ARTICLE IV. **EMPLOYEES** GENERAL RETIREMENT SYSTEM, OF THE CODE OF ORDINANCES, AND IN PARTICULAR, REVISING HIALEAH CODE § 70-249 ENTITLED "DISABILITY BENEFITS" TO PROVIDE NEW GROUP HEALTH INSURANCE OPTIONS FOR IN LINE OF DUTY INJURIES OF FIREFIGHTERS AND SWORN POLICE OFFICERS BASED ON MAXIMUM PERCENTAGE OF SALARY AND TO PROVIDE A 66 2/3<sup>RD</sup>% CEILING FOR NON-SERVICE CONNECTED **DISABILITY** RETIREMENT AND BY REVISING HIALEAH CODE § 70-240 ENTITLED "OPTIONAL CONTINUANCE OF GROUP INSURANCE COVERAGE BY RETIRANTS" TO PROVIDE FOR PAYMENT OF ACTIVE RATE FOR INDIVIDUAL HEALTH INSURANCE COVERAGE FOR FIREFIGHTERS AND SWORN POLICE OFFICERS HIRED AFTER OCTOBER 10. **UPON** 2006 RETIREMENT, CALCULATED ON DATE RETIREMENT, AND TO REFERENCE GROUP HEALTH INSURANCE OPTIONS; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH; PROVIDING PENALTIES FOR VIOLATION HEREOF; PROVIDING FOR INCLUSION IN CODE; PROVIDING FOR A SEVERABILITY CLAUSE AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the purpose and intent of this ordinance is to amend the provisions of the Retirement Code relating to disability health insurance benefits for eligible firefighters and sworn police officers for service-connected and non service-connected injuries and retiree health insurance benefits for future firefighters and sworn police officers.

WHEREAS, the City of Hialeah has received and reviewed an Actuarial Impact Statement concerning these retirement incentives and finds that it is in the best interest to provide these amendments that were negotiated through collective bargaining; and

WHEREAS, the Board of Trustees of the Employees General Retirement System recommended approval of this ordinance at a special meeting on January 25, 2007.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND THE CITY COUNCIL OF THE CITY OF HIALEAH, FLORIDA, THAT:

Section 1: Chapter 70 entitled "Retirement and Pensions", Article IV. Employees General Retirement System, of the Code of Ordinances of the City of Hialeah, Florida, is hereby amended to read as follows:

## Chapter 70

### RETIREMENT AND PENSIONS

# ARTICLE IV. EMPLOYEES GENERAL RETIREMENT SYSTEM

### **DIVISION 5. BENEFITS**

Sec. 70-240. Optional continuance of group insurance coverage by retirants.

- (a) At the time of retirement, a member may elect to continue coverage for any life or medical group insurance which may be in force for the member at the time of retirement.
- (b) The full cost of the premium for coverage of the retiree only, as an individual, shall be paid by the city, except that sworn police officers and firefighters hired after October 10, 2006 shall pay the active rate for individual health insurance coverage, calculated at the rate on the date of retirement, for each year of retirement until the retiree reaches age 65. At age 65, upon being eligible for and enrolling in Medicare Part A and Part B, the city shall pay the full cost of the health insurance premium for the retiree, for the retiree's individual coverage only. Upon retirement, all retirees who receive normal retirement benefits and who were hired prior to October 11, 2006, the city shall continue to pay the full cost of the health insurance premium for the retiree, for the retiree's individual coverage only.

- (c) The retiree may include his spouse and/or any other eligible dependents under the medical group insurance coverage to the same extent that the retiree would have been able to include them if the retiree were still an employee of the city, merely, by the payment of the full premium for such spouse and/or other eligible dependents by the retiree.
- (d) If the retiree should predecease spouse or should die leaving other eligible dependents surviving the retiree and if the spouse and/or other eligible dependents were covered by the city's group health insurance at the time of the retiree's death, the spouse and/or other eligible dependents may elect to continue coverage for as long as they would have been eligible had the retiree survived, merely by payment of the full premium for such spouse and/or other eligible dependents to the city. This section does not apply to members who have applied for a deferred pension as outlined in section 70-239.
- (e) A member who receives an in the line of duty disability retirement shall be entitled to a continuation of dependent coverage at the same premium as that of an active employee, except as provided for firefighters and sworn police officers. If a firefighter or sworn police officer elects Option 1 pursuant to section 70-249(a), then the firefighter or sworn police officer shall pay the full premium for health insurance for single dependent and/or family coverage if the employee elects such coverage. If the firefighter or sworn police officer elects Option 2 pursuant to section 70-249(a), the firefighter or sworn police officer shall pay the active rate for single dependent and/or family coverage if the employee desires such coverage. If the firefighter or sworn police officer is eligible and receives enhanced disability retirement benefits described in section 70-249(a), the firefighter or sworn police officer shall pay the active rate for single dependent and/or family coverage if the employee desires such coverage.

Sec. 70-249. Disability benefits.

(a) Upon retirement for total and permanent disability as provided for in section 70-248, whether or not he disabled member is

eligible for city retirement and whether or not the disabled member has elected the lump sum withdrawal option of his annuity savings.

Disability benefits for sworn police officers and firefighters-Option 1 and Option 2. A retiree for a total and permanent disability under section 70-248 for line of duty injuries may elect a service pension as provided in section 70-238 subject to and limited by the following options: Option 1: A service pension limited to and only to a maximum of 75 percent of the average compensation of three years of membership service that represents three individual years of the highest annual salary to which an annuity contribution has been paid to the retirement system, with insurance benefits for group health insurance as if the employee retired under normal retirement, with the retiree responsible for payment of the full health insurance premium for single dependent and/or family coverage, if the retiree desires\_such coverage; and Option 2: A service pension limited to and only to a maximum of 66 2/3<sup>rd</sup> percent of the average compensation of three years of membership service that represents three individual years of the highest annual salary to which an annuity contribution has been paid to the retirement system, with insurance benefits for group health insurance as if the employee retired under normal retirement, with the retiree responsible for payment of the active rate for single dependent and/or family coverage, if the retiree desires such coverage. The employee election between Option 1 and Option 2 shall be made one time only at the time of retirement and is irrevocable. In any event, at age 65, upon being eligible for and enrolling in Medicare Part A and Part B, the city shall pay the full cost of the premium for individual health insurance coverage for the retiree only.

(2) Enhanced disability benefits for sworn police officers and firefighters. A retiree for a total and permanent disability under section 70-248 for line of duty injuries shall be eligible for enhanced disability benefits if the disability is caused by a severe injury in the line of duty, which is the direct result of one specific violent event, involving a substantial physical impact to the employee-retiree. If the employee-retiree contracts Acquired Immune Deficiency Syndrome (AIDS) or Hepatitis-C through the transmission of bodily fluids as a direct result of one specific event occurring in the line of duty, documented at the time of the event, and the employee,

at the time of the event exercised universal precautions and complied with the all applicable standard operating procedures and policies of the city, then such employee-retiree is entitled to enhanced benefits provided herein. The enhanced benefits are not available to an employee-retiree who has contracted AIDS or Hepatitis-C through sexual transmission or drug use. The enhance benefits shall be a service pension limited to and only to a maximum of 75 percent of the average compensation of three years of membership service that represents three individual years of the highest annual salary to which an annuity contribution has been paid to the retirement system, with the retiree only responsible for payment of the active rate for health insurance for single dependent and/or family coverage, if the retiree desires such coverage.

The provisions of section 70-249(a)(1) and (a)(2) do not apply to firefighters and police officers who have applied for total and permanent disability under section 70-248 on or before January 1, 2007 and later retire with such disability under section 70-248.

- (b) Disability benefits not connected with the line of duty for firefighters and sworn police officers shall have a service pension under section 70-238 but limited to and only to a maximum of 66 2/3<sup>rd</sup> percent of the average compensation of three years of membership service that represents three individual years of the highest annual salary to which an annuity contribution has been paid to the retirement system, with group health insurance benefits as provided in section 70-249(c). Firefighters and sworn police officers hired after October 10, 2006 shall pay the active rate for individual health insurance coverage, calculated at the rate on the date of retirement. In any event, at age 65, upon being eligible for and enrolling in Medicare Part A and Part B, the city shall pay the full cost of the premium for individual health insurance coverage for the retiree only.
- (bc) The insurance benefits provided to a disabled member pursuant to this subsection shall only accrue to eligible employees injured in circumstances not connected with line of duty of injuries and circumstances that are non job-related with a minimum of ten years of continuous service. The city shall pay 100 percent of the cost of the insurance premium of

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an eligible disabled member for single coverage. The eligible disabled member shall pay the cost of the insurance premium for double or family coverage; provided, however, the eligible disabled members, as described below, shall receive a credit towards payment of the premium based on the following criteria:

Total monthly income from city	Credit amount
From zero (0) to and	75%
Including \$2000.00	
Greater than	50%
\$2,000.00 to an in-	
cluding \$3,250.00	
Greater than	25%
\$3,250.00 to and in-	
cluding \$4,500.00	

All rates are subject to periodic adjustments.

# **Section 2:** Repeal of Ordinances in Conflict.

All ordinances or parts of ordinances in conflict with this ordinance are hereby repealed to the extent of such conflict.

### Section 3: Penalties.

Every person convicted of a violation of any provision of the Code or any ordinance, rule or regulation adopted or issued in pursuance thereof shall be punished by a civil penalty not to exceed \$500.00 within the discretion of the court or administrative tribunal having jurisdiction. Each act of violation and each day upon which any such violation shall occur shall constitute a separate offense. In addition to the penalty prescribed above, the city may pursue other remedies such as abatement of nuisance, injunctive relief, administrative adjudication and revocation of licenses or permits.

## Section 4: Inclusion in Code.

The provisions of this ordinance shall be included and incorporated in the Code of Ordinances of the City of Hialeah, as an addition or amendment thereto, and the sections of this Ordinance No. <u>07-26</u> Page 7

ordinance shall be renumbered, as appropriate, to conform to the uniform numbering system of the Code.

## Section 5: Severability Clause.

If any phrase, clause, sentence, paragraph or section of this ordinance shall be declared invalid or unconstitutional by the judgment or decree of a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs or sections of this ordinance.

## Section 6: Effective Date.

This ordinance shall become effective when passed by the City Council and signed by the Mayor or at the next regularly scheduled City Council meeting, if the Mayor's signature is withheld or if the City Council overrides the Mayor's veto.

PASSED AND ADOPTED this 27th day of February 2007. THE FOREGOING ORDINANCE OF THE CITY OF HIALEAH WAS PUBLISHED IN ACCORDANCE WITH THE PROVISIONS OF Esteban Bovo FLORIDA STATUTE 166.041 Council President PRIOR TO FINAL READING. Approved on this Attest: Rafael E. Granado, City Clerk Mayor Julio Robaina Approved as to form and legal sufficiency: William M. Grodnick City Attorney

Strikethrough indicates deletion. <u>Underline</u> indicates addition.

S:wmg/legis/ord-2007/ch70amndretirementdisabilityprovisions.doc

Ordinance was adopted by a unanimous vote with Councilmembers Bovo, Caragol, Casals-Muñoz, Gonzalez, Hernandez, Miel and Yedra voting "Yes".